

HR 4685

P.L. 107-289

*One Hundred Seventh Congress
of the United States of America
AT THE SECOND SESSION*

Begun and held at the City of Washington on Wednesday, the twenty-third day of January, two thousand and two An Act To amend title 31, United States Code, to expand the types of Federal agencies that are required to prepare audited financial statements. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the 'Accountability of Tax Dollars Act of 2002'.

SECTION 2. AMENDMENTS RELATING TO AUDITING REQUIREMENT FOR FEDERAL AGENCY FINANCIAL STATEMENTS.

(a) IN GENERAL - Section 3515 of title 31, United States Code, is amended --

(1) in subsection (a)--

(A) by striking 'Not later' and inserting

'(1) Except as provided in subsection (e), not later';

(B) by striking 'each executive agency identified in section 901(b) of this title' and inserting

'each covered executive agency'; and

(C) by striking '1997' and inserting '2003';

(2) in subsection (b) by striking 'an executive agency' and inserting 'a covered executive agency';

(3) in subsections (c) and (d) by striking 'executive agencies' each place it appears and inserting 'covered executive agencies'; and

(4) by adding at the end the following:

'(e)(1) The Director of the Office of Management and Budget may exempt a covered executive agency, except an agency described in section 901(b), from the requirements of this section with respect to a fiscal year if --

(A) the total amount of budget authority

available to the agency for the fiscal year does not exceed \$25,000,000; and

'(B) the Director determines that requiring an annual audited financial statement for the agency with respect to the fiscal year is not warranted due to the absence of risks associated with the agency's operations, the agency's demonstrated performance, or other factors that the Director considers relevant.

'(2) The Director shall annually notify the Committee on Government Reform of the House of Representatives and the Committee on Governmental Affairs of the Senate of each agency the Director has exempted under this subsection and the reasons for each exemption.

'(f) The term 'covered executive agency' --

'(1) means an executive agency that is not required by another provision of Federal law to prepare and submit to the Congress and the Director of the Office of Management and Budget an audited financial statement for each fiscal year, covering all accounts and associated activities of each office, bureau, and activity of the agency; and

'(2) does not include a corporation, agency, or instrumentality subject to chapter 91 of this title.'.

(b) WAIVER AUTHORITY -

(1) IN GENERAL- The Director of the Office of Management and Budget may waive the application of all or part of section 3515(a) of title 31, United States Code, as amended by this section, for financial statements required for the first 2 fiscal years beginning after the date of the enactment of this Act for an agency described in paragraph (2) of this subsection.

(2) AGENCIES DESCRIBED- An agency referred to in paragraph (1) is any covered executive agency (as that term is defined by section 3515(f) of title 31, United States Code, as amended by subsection (a) of this section) that is not an executive agency identified in section 901(b) of title 31, United States Code.

Speaker of the House of Representatives.

**Vice President of the United States and
President of the Senate.
END**